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ABSTRACT

Characteristics that would tend to place Mexican immigrants in direct competition with native workers for jobs at the bottom of the wage and skill hierarchy are their numbers, their largely undocumented status, low education and skill levels, and poor English-speaking ability. Using regression analysis, 1980 Census data were analyzed to determine whether concentrations of Hispanics in the labor market increased unemployment in the Los Angeles metropolitan area. Analyses found no evidence of an immigration-induced increase in unemployment, even with Los Angeles' high concentration of undocumented Mexican immigrants. Significantly, Black workers, who potentially may be the group most seriously affected by a surge of low-wage immigrants, showed a general upgrading in their occupational status. There were indications, however, that this immigration may have altered the pattern of internal migration to the region. Evidence suggested that the rate of low-wage workers migrating to California from other parts of the country had declined while the flow of immigrants from Mexico had increased; and the rate of out-migration had risen steadily. Mexican immigrants who came to California during the 1970s may have served as labor market complements to skilled internal in-migrants and as substitutes for less-skilled workers. (JMM)

IMPACTS OF IMMIGRATION IN CALIFORNIA

ED284709

POLICY DISCUSSION PAPER

Mexican Immigration to Southern California:

Issues of Job Competition and Worker Mobility

by

Donald M. Manson
Thomas J. Espenshade
Thomas Muller

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FOREWORD

Issues concerning the level and composition of immigration to the United States have assumed prominent positions on the agendas of many policymakers. Perhaps nowhere are immigration's effects more keenly felt than in California, where one-quarter of all foreign-born persons in the United States currently reside.

This Policy Discussion Paper series is aimed at improving the quality of the policy-making process through a broad distribution of research findings on the consequences of immigration to California. These dissemination activities are part of The Urban Institute's larger project, Study of the Impacts of Immigration in California, funded by the Weingart Foundation, the Atlantic Richfield Foundation, the Ahmanson Foundation, and the Times Mirror Foundation. Important policy issues being addressed include (a) economic and fiscal issues associated with immigration, (b) the character and tempo of assimilation processes, and (c) the impact on California of proposals for immigration reform. All major immigrant groups to California—not just Mexicans—are being included, as are the comparative effects in northern as well as in southern California.

The Urban Institute's objective is to make a positive contribution to the policy process. It is committed to getting its work into the hands of people who can use it and rely upon it to make judgments of their own on future policy directions. Related titles are listed at the end of this paper.

Thomas J. Espenshade
Director
Program in Demographic Studies

MEXICAN IMMIGRATION TO SOUTHERN CALIFORNIA:
ISSUES OF JOB COMPETITION AND WORKER MOBILITY

Executive Summary

Concern for the immigration of Mexicans stems from their numbers and from their largely undocumented status, low education and skill levels, and poor English-speaking ability--characteristics that would tend to place them in direct competition with native workers for jobs at the bottom of the wage and skill hierarchy. Contrary to the expectations of survey respondents, however, our analysis finds no evidence of an immigration-induced increase in unemployment in the Los Angeles metropolitan area, even with its high concentration of undocumented Mexican immigrants. Significantly, black workers, who potentially may be the group most seriously affected by a surge of low-wage immigrants, showed a general upgrading in their occupational status. But there are indications that this immigration may have altered the pattern of internal migration to the region. The evidence suggests that the rate of low-wage workers migrating to California from other parts of the country has declined while the flow of immigrants from Mexico has increased; and the rate of overall internal migration to California has dropped while the rate of out-migration has risen steadily. Mexican immigrants who came to California during the 1970s may have served as labor market complements to skilled internal in-migrants and, at the same time, as substitutes for less-skilled workers.

INTRODUCTION

The United States is now experiencing one of the largest waves of immigration in its history. This phenomenon has attracted so much attention that it has raised concerns among citizens that major action is necessary to protect U.S. workers and has prompted President Ronald Reagan to declare that "we've lost control of our borders." At the same time, however, we remind ourselves that the United States is a country of immigrants and owes much of its development to them.

Many native workers, especially blue-collar workers, share the historical fear that employers will exploit the eagerness of immigrants to work at nearly any job under poor conditions and for wages below what native workers will accept. These native workers believe that they will be unable to compete effectively in the job market and will be left unemployed and perhaps even unemployable.

In a survey conducted for The Urban Institute in June 1983 by the Field Research Corporation, for example, California residents were asked about their perceptions of the impact of immigration on the region. Nearly half (48.2 percent) of the respondents believed that illegal immigrants take jobs away from citizens and contribute to unemployment. Among blacks surveyed, 58 percent believed that jobs were threatened.

This argument makes sense only if immigrant workers compete directly with resident workers for the same jobs, and if immigrants do not create a demand for new goods and services whose production would cause a spinoff need for native workers. Moreover, whether immigrants displace native-born workers depends on such additional factors as whether there is an imbalance in the demand for the type of labor immigrants provide and whether low- and high-skill labor are complements or substitutes.

Some economists believe that labor markets are segmented into primary and secondary sectors (Piore, 1979). In this context, if secondary jobs are considered "undesirable" by native workers, then employers seek to fill such undesirable jobs with immigrant labor. The extent to which substitution exists among various types of workers is an empirical question, one that numerous researchers have attempted to estimate. In general, these studies have reached inconclusive results (Hamermesh and Grant, 1979; Johnson, 1980).

At the national level, the political response to porous borders and the threat of job competition has given rise to the introduction of several immigration reform bills. Legislation introduced by Senator Alan Simpson directly addresses the concerns of U.S. workers by making it illegal for employers to hire immigrants without proper documentation of their legal status. With the imposition of penalties on employers who violate the law, supporters of Simpson's reform bill reason that a lack of job opportunities will discourage further illegal immigration into the country.

Few, if any, areas in the United States have been as sharply affected by immigration as California, now the intended state of residence for over one-quarter of all legal immigrants (Immigration and Naturalization Service, 1981). Since the beginning of the 1970s, this region has experienced substantial legal and undocumented immigration. As part of The Urban Institute's ongoing research on the consequences of Mexican immigration to southern California, we have examined some of the propositions about labor market impacts that led to the introduction of legislation for immigration reform (Muller, 1984). If a massive influx of low-wage, low-skill workers produces any impact on the availability of jobs, its effect should be apparent in southern Californian labor markets where there is a large concentration of

immigrant workers. We focus our inquiry on labor market changes in the low-wage manufacturing sector in the Los Angeles metropolitan area, highly populated with Mexican workers (North and Houston, 1976). Because blacks may face greater direct job competition from Mexican immigrants than do other workers, we also examine this specific labor market group in addition to the labor market as a whole.

Concern for the immigration of Mexicans stems from their numbers and from their largely undocumented (illegal) status, low education and skill levels, and poor English-speaking ability--characteristics that would tend to place them in direct competition with native workers for jobs at the bottom of the wage and skill hierarchy. Contrary to the expectations of survey respondents, however, our analysis finds no evidence of an immigration-induced increase in unemployment in the Los Angeles metropolitan area, even with its high concentration of undocumented Mexican immigrants. But there are indications that this immigration may have altered the pattern of internal migration to the region. The evidence suggests that the rate of low-wage workers migrating to California from other parts of the country has declined while the flow of immigrants from Mexico has increased; and the rate of overall internal migration to California has dropped while the rate of out-migration has risen steadily.

A PROFILE OF IMMIGRANTS

Our analysis focuses on Mexican immigrants in Los Angeles. More than two-thirds of all immigrants in California arriving since 1970 have settled in the southern part of the state, Los Angeles in particular. Contrary to what is generally believed, however, Mexicans do not make up a majority of all immigrants to California, nor are they a majority in Los Angeles, although they do constitute the largest single nationality among immigrants.

In 1980 of the more than 15 percent of residents in California who were foreign born, only about one-third were Mexican while more than half were non-Hispanic. Among Mexican immigrants, table 1 shows that almost two-thirds of those in Los Angeles have come since 1970, and more than half of these arrived in the second half of the decade. Mexicans account for less than half of the foreign born living in Los Angeles who immigrated between 1970 and 1980. For non-Hispanic immigrants as a group, the majority arrived before 1970 and are from Europe, but the bulk of the most recent (since 1970) non-Hispanic arrivals have come from Asia.

As a policy issue, immigration arouses concern because of those who are here illegally. Not only are illegal immigrants perhaps the most likely to have an impact on the low-wage labor market, but their numbers are largely unknown. Knowing the number of undocumented immigrants is important in preparing for immigration reform; only then can policymakers determine how many eligible immigrants may seek amnesty under proposed immigration reform legislation. Despite this importance, the number of immigrants who are undocumented is difficult to estimate. No direct data are available, and estimates must be based on census enumerations and Immigration and Naturalization Service data that have only partial coverage.

In 1984 Passel and Woodrow estimated the number of undocumented immigrants enumerated in the 1980 Census by individual states and for the United States as a whole. According to their findings, Mexicans historically have had a much higher rate of illegal entry than immigrants from other countries, and the share of Mexicans here illegally is substantially higher among those who have entered most recently. For California, approximately three-fourths (73 percent) of Mexican immigrants entering between 1975 and

Table 1

Immigration to California by Country of Origin and Period of Entry to the U.S.
(numbers in thousands)

Period of Entry	California						Los Angeles					
	Total		Mexican		Other		Total		Mexican		Other	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total	3,580	100.0	1,278	100.0	2,302	100.0	1,665	100.0	698	100.0	967	100.0
1975-1980	1,124	31.4	437	34.2	687	29.8	579	34.8	255	36.5	324	33.5
1970-1974	681	19.0	336	26.3	345	15.0	370	22.2	201	28.8	168	17.4
1965-1969	457	12.8	174	13.6	283	12.3	216	13.0	96	13.8	120	12.4
1960-1964	358	10.0	122	9.6	237	10.3	147	8.8	56	8.0	91	9.4
Before 1960	959	26.8	208	16.3	751	32.6	353	21.2	90	12.9	263	27.2

Source: U.S. Bureau of the Census, 1980 Census of Population, Vol. 1, Characteristics of the Population, Chapter D: Detailed Population Characteristics, Part 6, California, PC80-1-D6, November 1983.

1980 are undocumented, compared with less than half (45 percent undocumented) for those who entered prior to 1975. Immigrants from other countries have much lower rates of illegal entry, undoubtedly because entry from countries not having a common border with the United States is difficult. Within this group, only about one-fourth (24 percent) of the immigrants who entered between 1975 and 1980 are estimated to be here without proper documentation. For those who came here earlier, the rate falls to about one-fifth.

In addition to their large numbers, Mexican immigrants pose a potential threat to low-skill native workers because of their poor educational backgrounds. Of the Mexican immigrants counted in the 1980 census, nearly three-fourths of those in California had not completed their education through the eighth grade, and scarcely 2 percent had a college education or better. In Los Angeles County, Mexican immigrants had slightly better levels of educational attainment than those in the state as a whole, as shown by table 2. By comparison, only about one in three of the other Hispanic immigrants in the state had not completed an eighth grade education, while one out of eight had completed four or more years of college. Non-Hispanic immigrants--mostly Europeans and Asians--had achieved much higher levels of education, with only about one-fifth of this group without a high school education.

The 1980 census data also indicate that in general the English-speaking ability of recent Mexican immigrants is poor. Among those who arrived between 1970 and 1980, 32 percent said they did not speak English well, and another 29 percent said that they did not speak it at all. Those who were eighteen years and older, and potentially in the labor force, had even less facility with English. About 35 percent did not speak English well, and a similar amount

Table 2

Educational Attainment of Mexican Immigrants
in Los Angeles County, 1980[a]

Years of School	Number	Percent	Cumulative Percent
Total	357,220	100.0	—
0 to 4	95,500	26.7	26.7
5 to 8	142,520	39.9	66.6
9 to 12	88,300	24.7	91.3
13 to 16	25,760	7.2	98.5
17 or More	5,140	1.4	100.0

Source: Tabulations by The Urban Institute of the 1980 Census Public Use Microdata Sample.

a. Includes only immigrants 26 years old and older.

spoke none at all. Non-Mexican immigrants who entered in the same period had a substantially better command of English—only 20 percent said they did not speak English well, while less than 10 percent said they did not speak any English.

Not surprisingly, with their low levels of education and poor English-speaking ability, Mexican immigrants primarily hold jobs at the lowest level of the job hierarchy. As shown in table 3, nearly three-fourths of all Mexicans immigrating to the United States between 1970 and 1980 held jobs with an occupation classified as semi-skilled or unskilled, while only about one in eight had a job classified as white collar. The situation of native-born blacks is between that of Spanish-origin persons and non-Hispanic whites and Asians. Perhaps a third of all blacks in Los Angeles have low-skill jobs that could be taken by low-skill immigrants. Among native-born whites, only about a fifth hold jobs classified as unskilled.

In short, Mexican immigrants in Los Angeles arrive with very low levels of education, and the vast majority hold jobs at the lowest level of skill. By both measures of comparison, their status is the lowest among major immigrant ethnic groups, and lower by an even larger margin than native-born Californians.

EMPLOYMENT AND UNEMPLOYMENT

During the 1970s the job market in southern California expanded rapidly. Two-thirds of the growth was in white-collar jobs, which grew at about one-third above the national average rate. Although fewer blue-collar jobs were added, their rate of increase was about twice the national rate, with the expansion attributable primarily to employment growth in the manufacturing sector. In Los Angeles, for instance, manufacturing jobs

Table 3

Occupational Distribution by Ethnic Group in Los Angeles County, 1980
(percent)

Occupational Category	Mexican Immigrants[a]	Mexican Americans	Blacks	Asians	Non-Hispanic Whites
All Occupations	100.0	100.0	100.0	100.0	100.0
Professional, Managerial, Technical	3.0	12.8	21.4	34.3	35.3
Other White Collar	8.6	30.1	33.0	30.6	33.0
Skilled Blue Collar	15.0	13.7	9.3	9.2	11.8
Other	73.4	43.4	36.3	25.9	19.8

Source: U.S. Bureau of the Census, 1980 Census of Population, Vol. 1, Characteristics of the Population, Chapter C: General Social and Economic Characteristics, Part 6, California, PC80-1-C6, July 1983; and tabulations by The Urban Institute of the 1980 Census Public Use Microdata Sample.

a. Mexican immigrants who arrived between 1970 and 1980.

increased by 14 percent, compared with the 5 percent national growth rate (U.S. Bureau of Labor Statistics). Of all jobs added in Los Angeles County during the 1970s, about one-third were taken by Mexican immigrants; and of the service and skilled blue-collar jobs added, this group accounted for about half.

By far manufacturing employs the greatest number of Mexican immigrants living in Los Angeles. Over 200,000—half of all employed Los Angeles Mexican immigrants—work in this sector. They constitute 23 percent of all residents in manufacturing and 29 percent of the total in nondurable manufacturing. Approximately three-fourths of the manufacturing jobs held by Mexican immigrants are classified as low skill. After manufacturing, the service and retail trade sectors are the largest employers, accounting for one out of six and one out of seven Mexican immigrant workers, respectively.

Given this conspicuous immigrant presence in the Los Angeles manufacturing sector in 1980, it is interesting to question what effect, if any, it has had on the employment of nonimmigrant groups in the Los Angeles work force. The answer is shown in table 4. Net manufacturing employment increased by 113,000 jobs during the 1970s. Because those immigrants arriving since 1970 took 168,000 manufacturing jobs, however, there must have been a net decline of 55,000 jobs for other workers during the decade. This conclusion does not necessarily imply that 55,000 workers were displaced by immigrants. Given the usual high turnover rate in the manufacturing sector, such a change may reflect voluntary abandonment of low-wage, low-skill jobs by native-born workers seeking other, more desirable employment.

The total number of manufacturing jobs assumed by Mexican immigrants nearly equals the total number of nonmanufacturing jobs put together. Within

Table 4

Recent Immigrant Share of Los Angeles Net Employment Growth,
Selected Industries: 1970-1980
(numbers in thousands)

Sector	Total Employment Growth 1970-1980 (1)	Employment of Immigrants Arriving Between 1970 and 1980		Net Replacement (1) - [(2) + (3)] (4)
		Mexicans (2)	All Others (3)	
Manufacturing	113.2	105.8	62.5	-55.1
Eating and Drinking	52.1	15.3	13.7	23.1
Other Retail	32.1	15.7	27.1	-10.7
Personal Services	-7.4	10.3	14.1	-31.8
Business Services	64.4	9.9	13.2	41.3
Other Services	213.0	15.9	45.8	151.3
All Other	177.8	37.0	57.3	83.5
Total	645.2	209.9	233.7	201.6

Source: Tabulations by The Urban Institute of the 1980 Census Public Use Microdata Sample; and U.S. Bureau of the Census, 1980 Census of Population, Vol. 1, Characteristics of the Population, Chapter C: General Social and Economic Characteristics, Part 6, California, PC80-1-C6, July 1983; U.S. Bureau of the Census, 1980 Census of Population, Vol. 1 Characteristics of the Population, Chapter D: Detailed Population Characteristics, Part 6, California, PC80-1-D6, November 1983.

this latter category, one of the most dramatic changes occurred in the personal services sector where all immigrants combined took 24,400 jobs, of which Mexicans claimed 10,300, at a time when the sector actually lost 7,400 jobs.

The question remains: Does immigration hurt the job prospects of particular subgroups within the labor force, especially blacks who are most likely to hold the jobs for which immigrants compete? We use a regression analysis to estimate the coefficients of a simple labor market model that tests whether concentrations of Hispanics in the labor market increase the unemployment rate of blacks. Unemployment rates for blacks were estimated as a function of the share of Hispanics (used as a proxy for immigrant share) in the population and other factors affecting unemployment including (a) the rate of population growth in an area, (b) the education level of the black work force, and (c) general economic conditions in the area. One would expect rates of local area population growth to be inversely related to unemployment rates; population growth stimulates demand creating new jobs, and workers are apt to migrate to areas with low unemployment. Higher education should enable blacks and others to be more competitive for jobs in the economy; and general economic conditions should affect black unemployment in the same way as white unemployment. When examining black labor force activity, however, it is important to control for the concentration of cyclically sensitive durable goods manufacturing and construction because these industries experience high rates of unemployment during economic downturns, and blacks are overrepresented in blue-collar manufacturing jobs. One would expect black unemployment rates during periods of relatively slow growth or decline to be above average in areas with heavy concentrations of manufacturing industry.

Using 1980 census data, we estimated the labor market equation for the rate of black unemployment in 247 metropolitan areas. We eliminated the other 71 metropolitan areas because they have fewer than 3,000 black residents and could distort the results. A military installation in a small metropolitan area, for instance, might account for a large share of blacks, all of whom are by definition employed.

The estimated labor market equation was:

UBLK = f(PCTHISP, GROWTH, PCTCNDUR, PCTHSBLK, UWHT, u)

where, for each metropolitan area,

UBLK = rate of unemployment for blacks,

PCTHISP = percent of Hispanics in the population,

GROWTH = rate of population growth between 1970 and 1980,

PCTCNDUR = percent of income earned in construction and durable goods manufacturing,

PCTHSBLK = percent of blacks twenty-five years old and over with at least a high school education,

UWHT = rate of unemployment for whites (as a control for local economic factors affecting all workers), and

u = random error term.

The results of the regression analysis are shown in table 5 and point to a rejection of the hypothesis that an increase in the proportion of Hispanics in the local labor market increases black unemployment rates. There is no statistically significant relationship between black rates of unemployment and the concentration of Hispanics in the labor force. Signs of the other coefficients are as one would expect. Thus, after accounting for general labor market conditions that affect blacks and whites alike, most of the variation in black unemployment among areas can be attributed to differences in black educational attainment, in the rate of population growth, and in the degree of durable goods manufacturing in the metropolitan area.

Table 5

Coefficient Estimates for Black Unemployment Rates

	Estimated Coefficient	t-statistic	Beta
Constant	0.1298	4.49	0
PCTHISP	-0.0087	-0.48	-0.0167
GROWTH	-0.0893	-3.75	-0.1370
PCTCNDUR	0.0725	3.37	0.1222
PCTHSBLK	-0.0346	-2.47	-0.0830
UWHT	1.6394	21.10	0.7538
R-squared	0.75	—	—
Number of Observations	247	—	—

Source: Regression estimated from data from the 1980 Census of Population.

Data from southern California labor markets confirm these findings (see table 6). Despite mass immigration to southern California between 1970 and 1982, unemployment rates for blacks (and for all others) actually rose less rapidly than for people in the rest of the country. It is possible that these unemployment statistics may disguise a situation where workers, unemployed for long periods, leave the labor force as they become discouraged about the prospects of finding acceptable employment; but this does not appear to be the case, as shown by the labor force participation rates in table 6. For both blacks and the general population, labor force participation rates in the Los Angeles metropolitan area exceeded national averages. It would appear then that the recent influx of Mexican immigrants to southern California has not resulted in any significant adverse consequences for unemployment rates.

Our regression analysis does not give an explanation for the conclusion that Mexican immigrants (as indicated by Hispanic concentration) do not increase black unemployment. And so for at least a partial explanation, we examined black employment changes in Los Angeles County during the 1970s. Net black employment during that decade increased by 105,000 workers, with 96,000 of this total in white-collar occupations. Recent immigrants from Mexico held only 16,000 white-collar jobs. In fact, the number of blacks holding such jobs as low-skill operators and laborers actually declined; a similar pattern emerged for other nonimmigrant groups.

GEOGRAPHIC MOBILITY OF THE LABOR FORCE

In 1964, Eldridge and Thomas examined the relationship between internal migration and immigration to the United States from 1870 to 1920. During this fifty-year period, net internal migration rates for native-born whites were inversely related to the rate of white immigration in all parts of the

Table 6

Unemployment and Labor Force Participation Rates for the Los Angeles Standard Consolidated Metropolitan Area, California, and the United States: 1970, 1980, and 1982

Age Group	All Persons			Blacks		
	1970	1980	1982	1970	1980[a]	1982[a]
Unemployment Rates						
Ages 20 and Over						
Los Angeles SCMA[e]	5.5	5.2	8.5[b]	8.9[c]	8.8	11.3[b]
California	5.7	5.9	8.9	9.2	9.8	14.6
United States	3.8	5.9	8.6	6.0	11.2	16.6
Ages 16 to 19						
Los Angeles SCMA[e]	13.6	13.4	23.9[b]	26.2[c]	30.5	35.4[b]
California	15.1	14.4	23.4	27.9	30.6	39.7
United States	11.2	15.2	23.2	19.4	35.8	48.1
Labor Force Participation Rates[d]						
Ages 20 and Over						
Los Angeles SCMA[e]	60.9	65.8	66.9[b]	63.1[c]	66.2	66.6[b]
California	59.0	64.2	67.2	61.1	65.8	66.5
United States	58.8	63.7	65.0	60.7	64.3	64.3
Ages 16 to 19						
Los Angeles SCMA[e]	41.8	50.0	51.2[b]	29.3[c]	46.8	39.0[b]
California	38.9	49.9	54.1	28.5	47.3	38.4
United States	39.2	51.0	54.1	29.1	39.5	36.6

Sources: U.S. Bureau of the Census, 1970 and 1980 Censuses of Population, Characteristics of the Population: General Social and Economic Characteristics, California; U.S. Bureau of Labor Statistics, Employment and Earnings, May 1980, and Geographic Profile of Employment and Unemployment, 1980 and 1982.

a. Includes all nonwhite persons.

b. Excludes Ventura County.

c. Excludes Orange and Ventura Counties.

d. Labor force participation rates for 1982 and for blacks in 1980 are based on the civilian noninstitutional population instead of total population.

e. The Los Angeles Standard Consolidated Metropolitan Area consists of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties.

country, except the West. Similar forces may be at work in California today. The large inflow of foreign-born workers to California during the 1970s may have reduced the internal flow of people to the state and accelerated the outflow from California to other parts of the country.

Since the 1849 gold rush, California's population growth has been fueled by immigrants from abroad and by migrants from east of the Rocky Mountains (Hernandez, 1971; Morrison, 1971). During the late 1950s, 1,900,000 internal migrants moved to California and only 800,000 left, for a net gain of 1,100,000 (see table 7). Net internal migration to California slowed considerably in the late 1960s—to 370,000 people—and by the late 1970s had virtually ceased. It is important to point out that this decline in net migration to California has been attributable largely to an increase in the number of people leaving California and not to a reduction in the number of in-migrants. The rate of in-migration, however, has declined while the rate of out-migration has increased sharply.

The virtual cessation of net internal migration to California is noteworthy because it contradicts the popular impression that internal migrants continue to be an important factor contributing to California's population growth. But it is also significant for two other reasons. First, the deceleration in net internal movement to California has occurred at the same time that immigration to California is accelerating. As shown earlier, the distribution of foreign-born people in California—tabulated by year of entry to the United States—shows a sharp upturn in the numbers for more recent entrants. Second, the decline for California in net internal migration between 1965-1970 and 1975-1980 contrasts with the increase in the western region as a whole. Before 1975, patterns of net internal migration to

Table 7

Migration Within the United States to and from California: 1935-1940 to 1975-1980[a]

Period	In-migrants		Out-migrants		Net Migrants
	Number	Rate[c]	Number	Rate[c]	Number
1975-1980[b]	1,877,289	9.25	1,782,831	75.33	94,458
1965-1970	1,783,534	9.73	1,413,542	70.78	369,992
1955-1960	1,938,130	11.85	815,926	51.91	1,122,204
1935-1940	876,829	7.03	211,963	30.69	664,866

Sources: For 1975-1980: U.S. Bureau of the Census, "State of Residence in 1975 by State of Residence in 1980," Supplementary Report, 1980 Census of Population, PC80-S1-9, March 1983, Washington, D.C., U.S. Government Printing Office; 1965-1970: U.S. Bureau of the Census, "Mobility for States and the Nation," Census of Population: 1970, Subject Reports, Final Report PC(2)-2B, Washington, D.C., U.S. Government Printing Office; 1955-1960 and 1935-1940: data supplied by Larry Long, Center for Demographic Studies, U.S. Bureau of the Census. Data from the 1950 Census of Population are omitted since they refer to place of residence one year prior to the census.

a. Data for each period are limited to migrants five years old and older.

b. Nonresponses to the question asking place of residence in 1975 were allocated in 1980, but not in previous censuses.

c. Migration rates (per thousand population) based on decennial census at end of period. Out-migration rate based on California population; in-migration rate based on U.S. population minus California.

California parallelled those to the West in general. For the West census region, net internal migration was 590,000 between 1935 and 1940; it rose to 1,426,000 from 1955 to 1960; and then fell to 695,000 between 1965 and 1970. However, from 1975 to 1980, net migration to the West jumped to 1,178,000. This sharp rise--an increase over the previous decade of approximately 800,000 in-migrants--contradicted the trend for California.[1]

Special tabulations from the March Current Population surveys (CPS) allow a closer examination of the number and characteristics of persons moving to and from California within the United States between 1970 and 1983.[2] Data from the survey are, however, not entirely comparable to decennial census data, because the CPS universe is limited to the civilian noninstitutional population. In addition, CPS data are derived from a sample survey of the population and not from a complete enumeration. Therefore all CPS-based estimates are subject to sampling error. In tables 8, 9, and 10, the statistical significance of the net migration numbers is gauged using a Pearson Chi-square test, where the null hypothesis being tested is that net migration is zero. P-values are reported so the reader may assess the results for any predetermined level of significance.

Table 8 reveals that net migration to California slowed further and possibly even reversed from the early to the late 1970s. Since 1980 the amount of net internal migration to California has been negligible (just 11,000 over a three-year period). Within this overall movement of population

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[1]Data on net interregional migration to the West are derived from the decennial censuses of population for 1940, 1960, 1970, and 1980.

[2]The special tabulations reported on here were prepared under the general supervision of Kristin Hansen at the U.S. Bureau of the Census.

Table 8

Migration Within the United States to and from California, by Sex, Race, and Spanish Origin: 1970-1983
(numbers in thousands)

Period and Item	In-migrants[c] Number	In-migrants[c] Percent	Out-migrants[c] Number	Out-migrants[c] Percent	Net Migrants[c]	p-value[d]
1980-1983[a]						
Total	1,721	100.0	1,710	100.0	11	.8510
Male	837	48.6	887	51.9	- 50	.2285
Female	884	51.4	823	48.1	61	.1398
White	1,422	82.6	1,495	87.4	- 73	.1765
Black	143	8.3	129	7.5	14	.3958
Other Races	156	9.1	86	5.0	70	.0000
Spanish Origin	95	5.5	131	7.7	- 36	.0164
Mexican	68	4.0	89	5.2	- 21	.0933
1975-1980[b]						
Total	1,725	100.0	1,770	100.0	- 45	.4465
Male	811	47.0	876	49.5	- 65	.1135
Female	914	53.0	894	50.5	20	.6381
White	1,502	87.1	1,621	91.6	-119	.0332
Black	153	8.9	96	5.4	57	.0003
Other Races	71	4.1	52	2.9	19	.0861
Spanish Origin	107	6.2	146	8.2	- 39	.0140
Mexican	77	4.5	107	6.0	- 30	.0267
1970-1975[b]						
Total	1,664	100.0	1,520	100.0	144	.0107
Male	790	47.5	784	51.6	6	.8798
Female	874	52.5	736	48.4	138	.0006
White	1,456	87.5	1,406	92.5	50	.3500
Black	143	8.6	70	4.6	73	.0000
Other Races	66	4.0	43	2.8	23	.0270
Spanish Origin	118	7.1	97	6.4	21	.1518
Mexican	79	4.7	75	4.9	4	.7472

Source: Special tabulations from the March Current Population Survey, prepared by the U.S. Bureau of the Census. Figures for 1975-1980 do not agree with those in table 7 because the Current Population Survey sample comes from a smaller universe than the decennial census.

a. Data pertain to migrants over one year of age.
b. Data pertain to migrants five years old and over.
c. Numbers may not sum to totals because of rounding.
d. The p-value represents the observed significance level, or the level of significance at which one is indifferent between accepting or rejecting the null hypothesis that net migration is zero.

there were conspicuous differences depending on sex, race, and ethnic groups. Greater numbers of men, whites, and especially Hispanics left California than entered in the late 1970s and early 1980s. The Hispanic net outflow amounted to 39,000 people between 1975 and 1980, and to another 36,000 over the next three years. This pattern is particularly noteworthy because it represents a reversal of an earlier trend toward a net increase in internal movement into California of people of Mexican origin, the largest share of whom came from Texas. From 1970 to 1983, more blacks entered the state than left it, maintaining an earlier tendency. And other racial groups, too--Indochinese refugees, for instance--entered California in larger numbers during that period, accounting for a net gain of these in-migrants.

The age distribution of migrants to and from California gives an idea of family structures (see table 9). In-migrants tended to be disproportionately concentrated in the 20-to-29 and 65-years-and-over age groups, whereas out-migrants were more heavily represented in the under-20 and between-30-and-64 age groups. The figures on net migration suggest that there was a net outflow from California of families with minor children, but that the majority of young adults in their twenties and persons entering retirement continued to find California an attractive place to live.

We also found socioeconomic differences in the migrant flows. Data in table 10 show that the inflow between 1970 and 1983 was weighted toward more-skilled professional and nonprofessional workers, and that the outflow was largely comprised of less-skilled workers. In particular, there was an estimated net gain of 205,000 white-collar workers over the thirteen-year period and an estimated net loss of 134,000 blue-collar workers to other states. Educational differences parallel those by occupational status. Those

Table 9

Migration Within the United States to and from California, by Age of Migrants: 1970-1983 (numbers in thousands)

Period and Age Group	In-migrants[c] Number	In-migrants[c] Percent	Out-migrants[c] Number	Out-migrants[c] Percent	Net Migrants[c]	p-value[d]
1980-1983[a]						
Total	1,721	100.0	1,710	100.0	11	.8510
Under 20	463	26.9	477	27.9	- 14	.6479
20 to 29	667	38.8	592	34.6	75	.0345
30 to 44	345	20.0	375	21.9	- 30	.2635
45 to 64	165	9.6	207	12.1	- 42	.0293
65 and Over	85	4.9	62	3.6	23	.0573
1975-1980[b]						
Total	1,725	100.0	1,770	100.0	- 45	.4465
Under 20	376	21.8	513	29.0	-137	.0000
20 to 29	636	36.9	463	26.2	173	.0000
30 to 44	378	21.9	464	26.2	- 86	.0030
45 to 64	186	10.8	250	14.1	- 64	.0021
65 and Over	150	8.7	79	4.5	71	.0000
1970-1975[b]						
Total	1,664	100.0	1,520	100.0	144	.0107
Under 20	487	29.3	411	27.0	76	.0112
20 to 29	568	34.1	460	30.3	108	.0007
30 to 44	363	21.8	371	24.4	- 8	.7678
45 to 64	172	10.3	214	14.1	- 42	.0324
65 and Over	74	4.4	65	4.3	9	.4451

Source: Special tabulations from the March Current Population Survey prepared by the U.S. Bureau of the Census. Figures for 1975-1980 do not agree with those in table 7 because the Current Population Survey sample comes from a smaller universe than the decennial census.

a. Data pertain to migrants over one year of age.

b. Data pertain to migrants five years old and over.

c. Numbers may not sum to totals because of rounding.

d. The p-value represents the observed significance level, or the level of significance at which one is indifferent between accepting or rejecting the null hypothesis that net migration is zero.

Table 10

Migration Within the United States to and from California
by Education and Occupation: 1970-1983
(numbers in thousands)

Period and Item	In-migrants[f] Number	In-migrants[f] Percent	Out-migrants[f] Number	Out-migrants[f] Percent	Net Migrants[f]	p-value[g]
1980-1983[a]						
Education						
Persons 18 Years and Older	1,342	100.0	1,309	100.0	33	.5216
8 Years or Less	68	5.1	75	5.7	- 7	.5582
9 to 12 Years	636	47.4	619	47.3	17	.6313
More than 12 Years	638	47.5	614	46.9	24	.4976
Occupation						
Persons 16 Years and Older	1,374	100.0	1,352	100.0	22	.6735
White Collar[c]	472	34.4	451	33.4	21	.4894
Blue Collar and Service Workers[d]	268	19.5	295	21.9	-27	.2551
Other[e]	633	46.1	604	44.7	29	.4096
1975-1980[b]						
Education						
Persons 18 Years and Older	1,394	100.0	1,325	100.0	69	.1857
8 Years or Less	69	4.9	112	8.5	-43	.0013
9 to 12 years	565	40.5	606	45.7	-41	.2308
More than 12 Years	760	54.5	607	45.8	153	.0000
Occupation						
Persons 16 Years and Older	1,442	100.0	1,376	100.0	66	.2137
White Collar[c]	587	40.7	482	35.1	105	.0013
Blue Collar and Service Workers[d]	292	20.2	386	28.1	-94	.0003
Other[e]	564	39.1	506	36.8	58	.0761

Table 10--continued

Period and Item	In-migrants[f] Number	In-migrants[f] Percent	Out-migrants[f] Number	Out-migrants[f] Percent	Net Migrants[f]	p-value[g]
1970-1975[b]						
Education						
Persons 18 Years and Older	1,240	100.0	1,149	100.0	91	.0626
8 Years or Less	80	6.5	98	8.5	-18	.1769
9 to 12 Years	589	47.5	575	50.0	14	.6815
More than 12 Years	571	46.0	476	41.4	95	.0033
Occupation						
Persons 16 Years and Older	1,291	100.0	1,195	100.0	96	.0541
White Collar[c]	411	31.8	332	27.8	79	.0037
Blue Collar and Service Workers[d]	263	20.3	276	23.1	-13	.5755
Other[e]	620	47.9	586	49.1	34	.3275

Source: Special tabulations from the March Current Population Survey prepared by the U.S. Bureau of the Census. Figures for 1975-1980 do not agree with those in Table 7 because the Current Population Survey sample comes from a smaller universe than the decennial census.

a. Data pertain to migrants over one year of age.

b. Data pertain to migrants five years old and over.

c. Includes professional, technical, and kindred workers, managers and administrators, except farm; sales workers; clerical and kindred workers.

d. Includes craft and kindred workers; operatives; laborers, except farm; service workers; and farm workers.

e. Includes persons unemployed, in the Armed Forces, and out of the labor force.

f. Numbers may not sum to totals because of rounding.

g. The p-value represents the observed significance level, or the level of significance at which one is indifferent between accepting or rejecting the null hypothesis that net migration is zero.

people with some college education who entered California between 1970 and 1983 outnumbered those who left by an estimated 272,000. Meanwhile there was a net exodus from the state of approximately 68,000 people who had an eighth-grade education or less.

Although immigration to California has soared since 1970, net internal migration to this region has virtually stopped because there is a decreasing propensity of people to move to California coupled with a rising tendency to leave for other states. Those net migrants to California from other parts of the nation tend to be better-educated professional workers, whereas there has been a net out-migration of the less-educated, unskilled, blue-collar and service workers.

The similarity in the socioeconomic characteristics of net out-migrants from California and those of Mexican immigrants suggests that the flow from Mexico substituted for internal migration. Net migration estimates for subregions of California support this suggestion. No area of the state was more strongly affected by immigration from Mexico between 1970 and 1980 than Los Angeles County. Our estimates indicate that during the same period, however, Los Angeles lost approximately 372,000 workers through internal migration to other parts of California and the nation. Conversely, the rest of southern California—excluding Los Angeles County, that is—gained 360,000 net workers from other parts of the United States, including those from Los Angeles County.[3]

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[3]These estimates are derived by subtracting the employment growth one would have observed based on natural increase and immigration alone from actual total employment growth between 1970 and 1980 in the affected regions.

DISCUSSION

As workers, Mexicans were absorbed into the economy of the region by taking jobs at the lower end of the occupational scale, primarily in manufacturing. The number of manufacturing jobs increased some during the period of rapid immigration, but not enough to equal the number of such jobs taken by immigrants. Many of these jobs were in the low-wage, nondurable goods manufacturing industry, and many may have been created because of the availability of these low-skill workers. At the same time, unemployment rates in the Los Angeles labor market showed no evidence of adverse effects from immigration. Significantly, black workers, who potentially may be the group most seriously affected by a surge of low-wage immigrants, showed a general upgrading in their occupational status. Further investigations are required to establish whether immigration leads to an elevation of native workers' occupational status and income.

Large-scale immigration to California, and especially to Los Angeles, may have been responsible for a major alteration in the pattern of internal migration in the United States. Although the general pattern of movement to the West continued throughout the 1970s, California experienced a sharp decline in net migration due to a reduction in the rate of in-migration and a rise in the rate of out-migration. The data suggest that there were important differences in the characteristics of these flows. On balance, in-migrants were generally in their early working years and came with high levels of skill and without families, while out-migrants were generally less skilled and moved with their families. Mexican immigrants who came to California in this period were overwhelmingly low-skill workers. They may have served as labor market complements to skilled internal in-migrants and, at the same time, as

substitutes for less-skilled workers. In other words, our results suggest that in California the demand for low-wage, low-skill workers that was once met by internal migration is now being satisfied by immigrants from Mexico. These conclusions are tentative, and further research is needed to establish the dynamics of interaction between immigration and internal migration.

We expect that the forces driving immigration, especially that from Mexico, will intensify and that this immigration will continue to generate pressure for immigration reform. Any major changes in immigration legislation, however, must be guided by an understanding of labor market dynamics in areas where immigrants concentrate. Little is known about the level of business dependence that develops because of the availability of low-wage workers. Since immigrants may actually bolster an area's economy by providing labor for industries that produce products that substitute for imports, adequate consideration must be given to immigration reforms that could reduce suddenly the number of undocumented workers.

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